# King County Real Estate
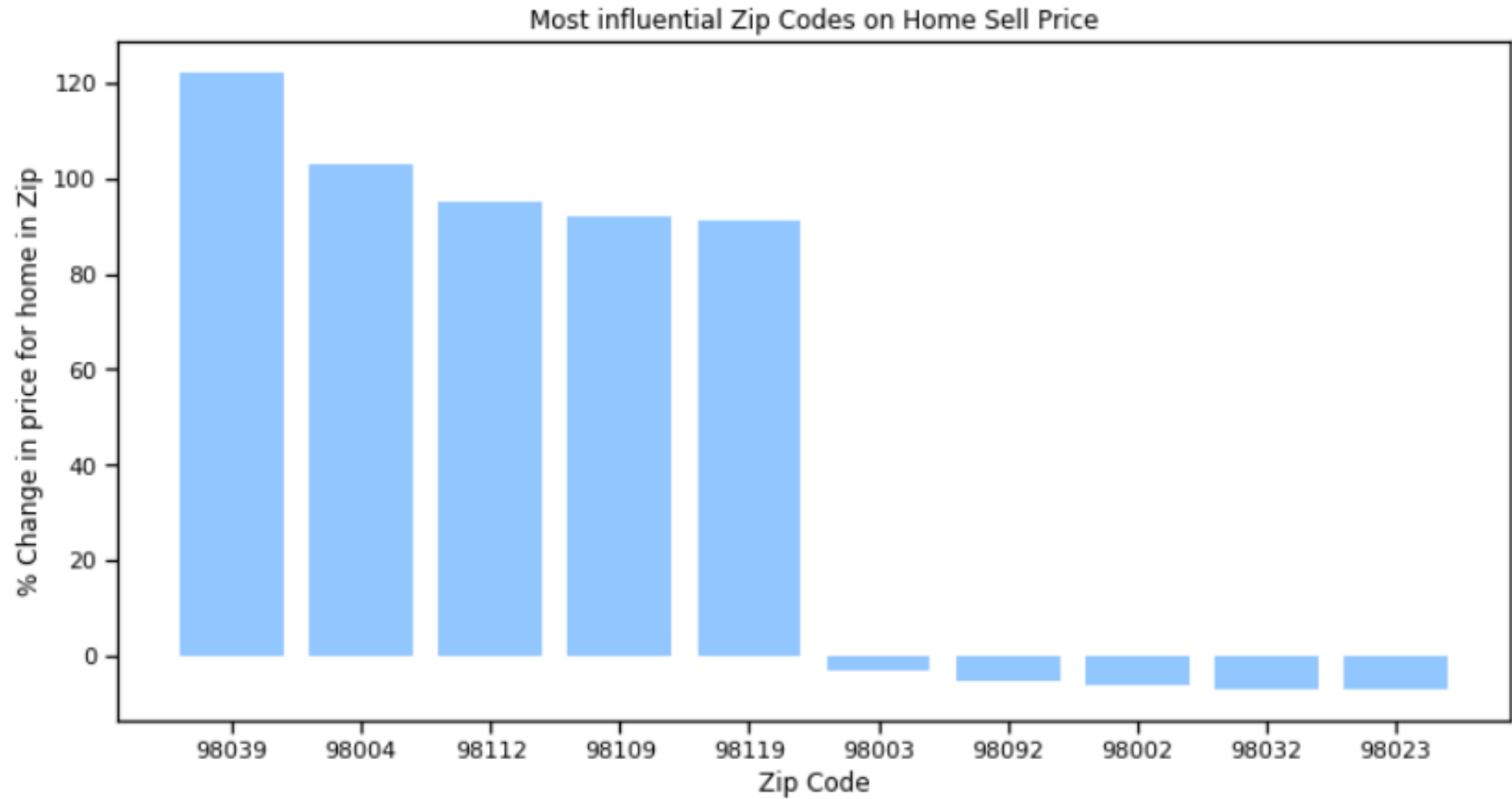
A sound investment
on the Sound

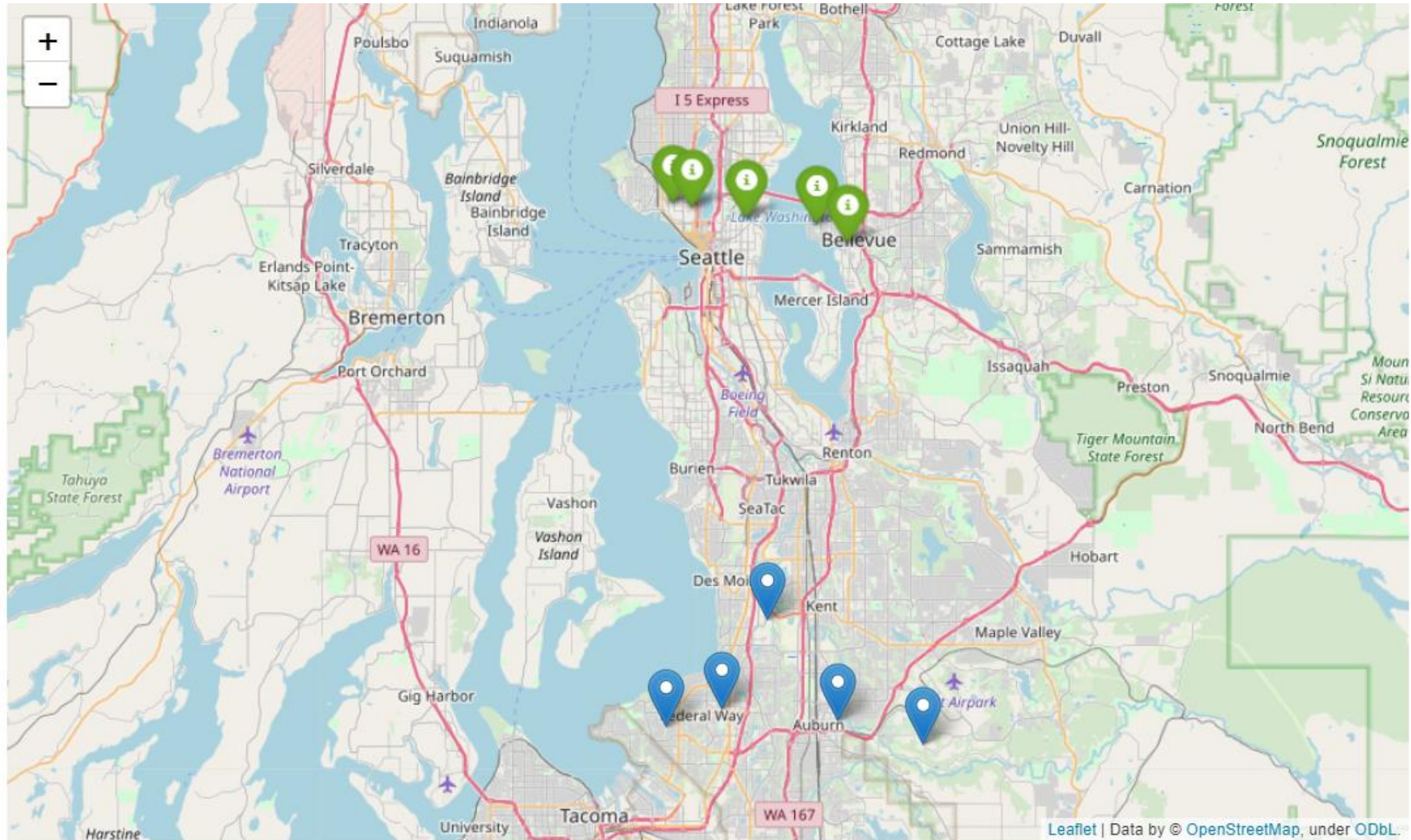# Residential Markets

Home specs:

- Single family homes priced below $1.63MM

- Homes won't be larger than:
    - 7 bds
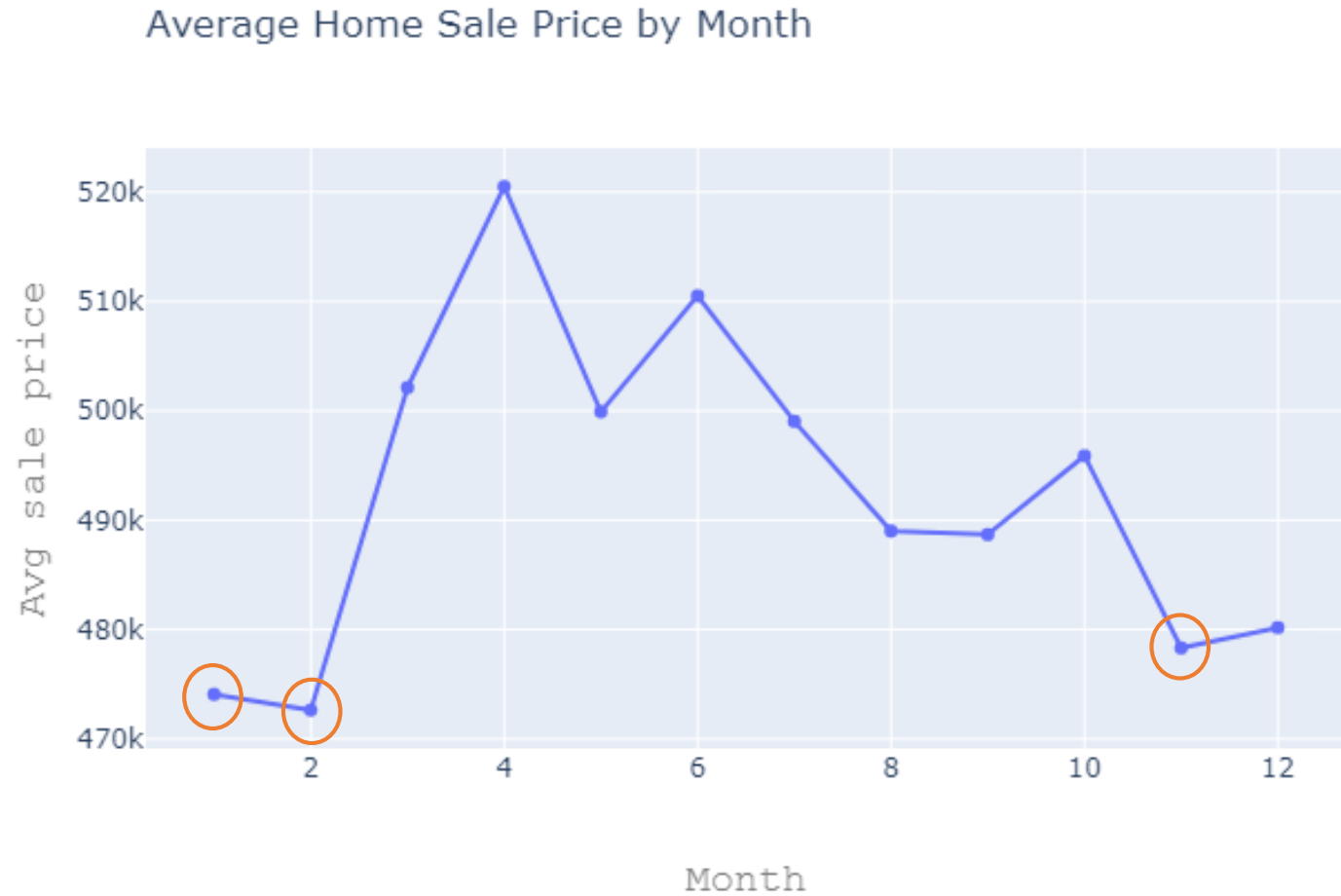    - 4.5 bth
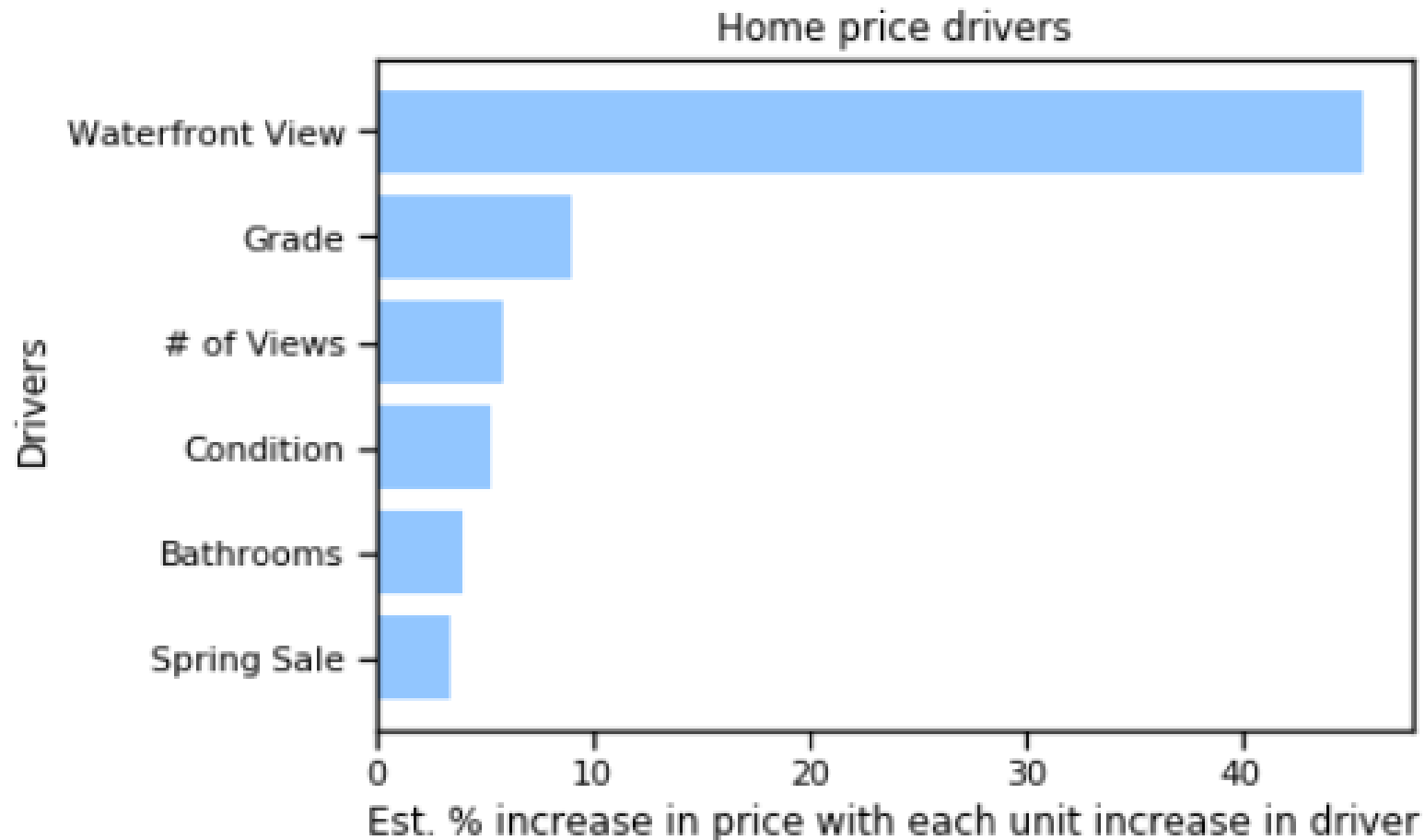    - 2.2 ac. lot
    - 4,042 sq. ft. living space

# Where to buy



Most influential Zip Codes on Home Sell Price

# Where to buy

# When to buy



Average Home Sale Price by Month

# When to sell



Average Home Sale Price by Month

# What impacts price



Home price drivers

Drivers (top to bottom): Waterfront View, Grade, # of Views, Condition, Bathrooms, Spring Sale

Est. % increase in price with each unit increase in driver

- Additionally, every 10% increase in home square footage at or above the ground level (as measured in 2015) will increase sell price by 4.1%

| Table Legend | |
|---|---|
| Waterfront | Does home have waterfront views, y(1)/n(0) |
| Grade | Quality of home material, scale* of $3 - 12$ |
| Views | How many times has the home been viewed |
| Condition | Assessed condition of home, scale* of $1 - 5$ |
| Bathrooms | # of bths, 0.25-point scale from 0.5 - 4.5 |
| Spring Sale | Did the home sell in the spring, y(1)/n(0) |

* See appendix

# Recommended action

If you are interested in high value homes
- Find homes with:
    - North county locations, close to city center
    - Views of the water
    - Graded higher than 7
    - Minimum assessed condition of 3
- Buy in the winter months for the lowest prices
    - Feb, Jan, Nov are best times to buy
- Sell during spring and early summer to get the highest price
    - April, June, Mar are best times to sell

# Recommended action

If you are interested in low value homes
- Find homes with:
    - South county locations, closer to the airports
    - More landlocked
    - Lower housing grade
    - Stick with assessed condition of 3
- Buy in the winter months for the lowest prices
    - Feb, Jan, Nov are best times to buy
- Sell during spring and early summer to get the highest price
    - April, June, Mar are best times to sell

# Thank you from Zazueta Real Estate!

# Appendix

Grade Scale Definitions:

Represents the construction quality of improvements. Grades run from grade 1 to 13. Generally defined as:

1-3: Falls short of minimum building standards. Normally cabin or inferior structure.
4: Generally older, low quality construction. Does not meet code.
5: Low construction costs and workmanship. Small, simple design.
6: Lowest grade currently meeting building code. Low quality materials and simple designs.
7: Average grade of construction and design. Commonly seen in plats and older sub-divisions.
8: Just above average in construction and design. Usually better materials in both the exterior and interior finish work.
9: Better architectural design with extra interior and exterior design and quality.
10: Homes of this quality generally have high quality features. Finish work is better and more design quality is seen in the floor plans. Generally have a larger square footage.
11: Custom design and higher quality finish work with added amenities of solid woods, bathroom fixtures and more luxurious options.
12: Custom design and excellent builders. All materials are of the highest quality and all conveniences are present.
13: Generally custom designed and built. Mansion level. Large amount of highest quality cabinet work, wood trim, marble, entry ways etc.

# Appendix

Condition Scale Definitions

1 = Poor- Worn out. Repair and overhaul needed on painted surfaces, roofing, plumbing, heating and numerous functional inadequacies. Excessive deferred maintenance and abuse, limited value-in-use, approaching abandonment or major reconstruction; reuse or change in occupancy is imminent. Effective age is near the end of the scale regardless of the actual chronological age.

2 = Fair- Badly worn. Much repair needed. Many items need refinishing or overhauling, deferred maintenance obvious, inadequate building utility and systems all shortening the life expectancy and increasing the effective age.

3 = Average- Some evidence of deferred maintenance and normal obsolescence with age in that a few minor repairs are needed, along with some refinishing. All major components still functional and contributing toward an extended life expectancy. Effective age and utility is standard for like properties of its class and usage.

4 = Good- No obvious maintenance required but neither is everything new. Appearance and utility are above the standard and the overall effective age will be lower than the typical property.

5= Very Good- All items well maintained, many having been overhauled and repaired as they have shown signs of wear, increasing the life expectancy and lowering the effective age with little deterioration or obsolescence evident with a high degree of utility.

# Appendix

Sources

- Cover picture:
  - Granicus. image. 2019, https://www.google.com/url?sa=i&source=images&cd=&ved=2ahUKEwj35oma_o_k AhXkhOAKHdrXB8IQjRx6BAgBEAQ&url=https%3A%2F%2Fgranicus.com%2Fdownloa ds%2Fking-county-washington%2F&psig=AOvVaw2Rjq6zWA-j6hZcCOEOcIGi&ust=1566339764973369. Accessed 19 Aug 2019.
- Data:
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  - https://info.kingcounty.gov/assessor/esales/Glossary.aspx?type=r – Building grade
- Code:
  - https://github.com/learn-co-students/dsc-model-fit-linear-regression-online-ds-pt-071519